

MINUTES - CITY OF BEAUMONT

W.L. Pate, Jr., At-Large
Dr. Alan B. Coleman, Mayor Pro Tem
Audwin Samuel, Ward III
Tyrone E. Cooper, City Attorney

BECKY AMES, MAYOR
CITY COUNCIL MEETING
September 9, 2014
Kyle Hayes, City Manager

Gethrel Wright, At-Large
Michael D. Getz, Ward II
Jamie Smith, Ward IV
Tina Broussard, City Clerk

The City Council of the City of Beaumont, Texas, met in a regular session on **September 9, 2014**, at the City Hall Council Chambers, 801 Main Street, Beaumont, Texas, at 1:30 p.m. to consider the following:

OPENING

- * Invocation Pledge of Allegiance Roll Call
- * Presentations and Recognition
- * Public Comment: Persons may speak on scheduled agenda items 1-5/Consent Agenda
- * Consent Agenda

Mayor Ames called the council meeting to order at 1:30 p.m.

Pastor Bob Shield of Trinity United Methodist Church gave the invocation. Mayor Ames led the Pledge of Allegiance. Roll call was made by Tina Broussard, City Clerk.

Present at the meeting were Mayor Ames, Mayor Pro Tem Coleman, Councilmembers Getz, Wright, Pate (arrived at 1:42 p.m.), Samuel and Smith. Also present were Kyle Hayes, City Manager; Tyrone Cooper, City Attorney; Tina Broussard, City Clerk.

Proclamations, Presentations, Recognitions

"Alzheimer's Awareness Day" - September 20, 2014 - Proclamation read by Councilmember Wright; accepted by Clarissa Urban, Regional Outreach Coordinator with the Alzheimer's Association

"Emergency Preparedness Month" – September, 2014 – Proclamation ready by Mayor Ames; accepted by Tim Ocnaschek, Emergency Management Coordinator with the City of Beaumont

Mayor Ames read the announcement regarding Executive Session being held at the conclusion of the General Business portion of the meeting.

Public Comment: Persons may speak on scheduled agenda items 1-5/Consent Agenda.

None

CONSENT AGENDA

- * Approval of minutes - **August 26, 2014**

- * Confirmation of committee appointments - **None**
- A) Authorize the City Manager to enter into an Interlocal Agreement with Jefferson County, Texas for the Gulf States Road Project – **Resolution 14 - 182**
 - B) Authorize the execution of an agreement with Valero – **Resolution 14 - 183**
 - C) Authorize the execution of a Mutual Aid Agreement with local government entities that are part of the South East Texas Regional Planning Commission Region – **Resolution 14 - 184**
 - D) Authorize the acceptance of a fifteen foot wide Non-Exclusive Water Meter Easement for the construction of a new building at 3749 Hwy 69 – **Resolution 14 - 185**
 - E) Approve the award of an annual contract to Lone Star Uniform, Inc. for City work uniforms, for use by all City departments other than Police, Fire and EMS – **Resolution 14 - 186**

Mayor Pro Tem Coleman moved to approve the Consent Agenda. Councilmember Samuel seconded the motion.

AYES: MAYOR AMES, MAYOR PRO TEM COLEMAN, COUNCILMEMBERS GETZ, WRIGHT, PATE, SAMUEL AND SMITH

NAYS: NONE

MOTION PASSED

GENERAL BUSINESS

1. Consider a resolution authorizing the City Manager to execute an agreement with CDM Smith, Inc. of Houston to continue management of the Municipal Separate Storm Sewer System (MS4) Permit for the City of Beaumont.

On October 16, 2012, by Resolution No. 12-249, City Council awarded CDM Smith, Inc. of Houston an agreement for Professional Engineering Services to manage the Municipal Separate Storm Sewer System (MS4) Permit. The manager of the permit conducts dry and wet weather screenings of our five major outfalls in the City. Under the permit, the City is required to submit an annual report summarizing activities and results of the screenings and other inspections conducted throughout the year. The manager of the permit completes this report for the City. The contract amount for FY2015 will increase by \$45,000 from the previous FY2014 contract amount of \$240,000 due to additional services being provided as outlined below:

- CDM Smith will be conducting catchment delineation to improve the City's outfall inventory process as well as conducting maintenance on the existing samplers that have not been replaced.

- CDM Smith, Inc. will be performing regular scheduled maintenance on the City's equipment for the FY2015 contract that was not included in the FY2014 contract.
- The permit renewal process will include preliminary investigations regarding potential permitting requirements, coordination with TCEQ as needed, preparation of permit application as needed and fact sheets (if requested), and review of and comment on draft permits when received.

Funds will be paid out of the General Fund-Public Works Department.

Councilmember Wright moved to **APPROVE A RESOLUTION THAT THE CITY COUNCIL HEREBY APPROVES THE AWARD OF AN ENGINEERING SERVICES AGREEMENT TO CDC SMITH, INC., OF HOUSTON, TEXAS, IN AN AMOUNT NOT TO EXCEED \$240,000 TO MANAGE THE MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4) PERMIT.** Councilmember Smith seconded the motion.

AYES: MAYOR AMES, MAYOR PRO TEM COLEMAN, COUNCILMEMBERS GETZ, WRIGHT, PATE, SAMUEL AND SMITH

NAYS: NONE

MOTION PASSED

Resolution 14 - 187

2. Consider a resolution authorizing the award of a bid to Delta Structural Technology LLC of Conroe, TX for the construction of the Lindbergh Drive Overpass Emergency Repairs.

On Friday, August 8, 2014, a train derailment within the Union Pacific rail yard resulted in a railroad car impacting one of the reinforced concrete columns supporting the Lindbergh Drive Overpass. Due to the nature and location of the impact, Lindbergh Overpass was immediately closed to all traffic. Following a thorough inspection of the damage, the overpass was declared unsafe for travel and should remain closed until repairs are made. This section of Lindbergh Drive is a major thoroughfare between College Street and Phelan Boulevard and serves as the primary travel route for Caldwell Elementary School. Due to the amount of traffic serviced by Lindbergh Drive Overpass and the adverse effects of its closure on public welfare and safety this repair has been elevated to emergency status.

Schaumburg & Polk, Inc. (SPI), a local engineering firm, was tasked with providing construction plans for the repair. The Texas Department of Transportation provided preliminary construction details and SPI incorporated these details into the final design plan. On Wednesday, August 27, 2014, bids were received for furnishing all

labor, materials, equipment and supplies for the construction of the Lindbergh Drive Overpass Emergency Repairs.

SPI was asked to evaluate the bids received and provide a recommendation of award. During SPI's evaluation, the apparent low bidder was deemed unresponsive as all required documentation was not provided. On August 28, 2014 SPI provided their recommendation that the contract be awarded to Delta Structural Technology, LLC for their bid in the amount of \$51,039.88.

Union Pacific Railroad will be responsible for the construction cost as well as engineering and related expenses.

Councilmember Getz moved to **APPROVE A RESOLUTION THAT THE BID SUBMITTED BY DELTA STRUCTURAL TECHNOLOGY, LLC, OF CONROE, TEXAS, FOR A CONTRACT FURNISHING ALL LABOR, MATERIALS, EQUIPMENT AND SUPPLIES FOR THE CONSTRUCTION OF THE LINDBERGH DRIVE OVERPASS EMERGENCY REPAIRS PROJECT, IN THE AMOUNT OF \$51,039.88, BE ACCEPTED BY THE CITY OF BEAUMONT.** Councilmember Smith seconded the motion.

AYES: MAYOR AMES, MAYOR PRO TEM COLEMAN, COUNCILMEMBERS GETZ, WRIGHT, PATE, SAMUEL AND SMITH

NAYS: NONE

MOTION PASSED

Resolution 14 - 188

3. Consider granting a solid waste collection and transportation service franchise to Sprint Waste Services, L.P.

On January 1, 2014, Triangle Waste (a wholly-owned subsidiary of Sprint Waste Services, LP) merged into Sprint Waste Services, LP. Triangle Waste has a solid waste franchise agreement with the City of Beaumont but due to the legal change in corporate structure and merger with Sprint Waste Services, LP, it is necessary for the company to obtain a franchise agreement with the City in the name of Sprint Waste Services, LP. According to City Ordinance 22.05.101, no person shall engage in the business of collecting, hauling or transporting, in the city, any garbage, waste or refuse, without first having obtained a franchise from the City. Seven (7) entities currently have nonexclusive franchise agreements with the City and are doing business in this area.

The requested franchise is generally the same as those previously approved by City Council. It provides for a term of one year from its effective date and a franchise fee

of seven percent (7%) of gross revenues received for service. It also requires the entity to indemnify the City of Beaumont and provide insurance which names the City of Beaumont as a named insured.

According to City Charter, franchise ordinances require readings at three (3) separate Council meetings, with the third not less than thirty (30) days from the first reading. The ordinance does not take effect until sixty (60) days after its adoption on the third and final reading. After passage, the ordinance must be published for four (4) consecutive weeks in a newspaper of general circulation in the city. All publication costs are paid by the franchisee.

This is second reading of the franchise ordinance. The first reading occurred on August 26, 2014.

A franchise fee of seven percent (7%) of gross receipts is paid into the General Fund.

Councilmember Pate moved to **ADOPT AN ORDINANCE ENTITLED AN ORDINANCE GRANTING A FRANCHISE FOR SOLID WASTE COLLECTION AND TRANSPORTATION SERVICES TO SPRINT WASTE SERVICES, L.P.** Mayor Pro Tem Coleman seconded the motion.

AYES: MAYOR AMES, MAYOR PRO TEM COLEMAN, COUNCILMEMBERS GETZ, WRIGHT, PATE, SAMUEL AND SMITH

NAYS: NONE

MOTION PASSED

Ordinance 14 - 041

4. Consider a resolution approving the award of an annual contract for Heating, Ventilation and Conditioning services to Air Comfort, Inc., of Beaumont.

Bids were requested for an annual contract to provide HVAC maintenance and repair services for use by the Building Services Division. The contract will provide for the installation, maintenance and repair of air conditioning and heating systems for all City facilities.

Eight (8) vendors were notified, five (5) responded. Specifications requested hourly labor rates for technicians and helpers, together with percentage markup for materials and equipment rentals. Bids were evaluated on a total annual cost based upon estimated labor hours for each skill category and condition, together with estimated markup costs based on supplied percentages.

Low bid was received from Air Comfort, Inc., of Beaumont. They have not held this contract previously; however they are an old line company having been established

in Beaumont since 1954. The bid price represents an approximate eleven percent (11%) increase over the prior contract.

Funds paid out of the General Fund, Water Utilities Fund, Solid Waste Fund, and Capital Reserve Fund.

Councilmember Samuel moved to **APPROVE A RESOLUTION THAT THE BID SUBMITTED BY AIR COMFORT, INC., OF BEAUMONT, TEXAS, FOR AN ANNUAL CONTRACT FOR HEATING, VENTILATION, AIR CONDITIONING (HVAC) EQUIPMENT, INSTALLATION MAINTENANCE AND REPAIR FOR CITY-OWNED HVAC EQUIPMENT FOR AN ESTIMATED ANNUAL COST OF \$298,650 BE ACCEPTED BY THE CITY OF BEAUMONT.** Councilmember Pate seconded the motion.

AYES: MAYOR AMES, MAYOR PRO TEM COLEMAN, COUNCILMEMBERS GETZ, WRIGHT, PATE, SAMUEL AND SMITH

NAYS: NONE

MOTION PASSED

Resolution 14 - 189

WORK SESSION

- * Review and discuss a proposed Riverfront Reinvestment Zone Project Plan

Chris Boone, Community Development Director reviewed and discussed the Riverfront Reinvestment Zone Project Plan. Mr. Boone stated that for many years the redevelopment of the Neches Riverfront and Downtown Beaumont has been a goal. Now with the removal of the Port of Beaumont's rail holding yard, which is underway, the possibility of redeveloping the Riverfront with such usages as hotels, conference space, retail and restaurants has become more of a possibility. In addition, to such usage as hotels and restaurants along the river, we are now seeking developers to bring more residential units to downtown Beaumont and on the Riverfront. In order to help attract developers, the City Council recently adopted the Downtown Neighborhood Empowerment Zone, this effort offers various economic incentives to developers. An additional tool to attract developers would be the adoption of the Riverfront Reinvest Zone Project Plan. This plan represents a visual summary of improvements and developments that has been sought for years but only now becomes possible with the removal of the rail yard. The project plan element includes; 1) Riverfront dining and retail; 2) Riverfront hotel and residential (this could be designated as sale or lease); 3) Riverfront Park improvement; 4) Additional residential units and light retail restaurants on properties nearby the river. By adopting this project plan this would allow the city a greater degree of flexibility in marketing, negotiating and working with developers to finally make these goals a reality.

5. Consider a resolution approving the Beaumont Riverfront Reinvestment Zone Project Plan.

For many years, the redevelopment of the Neches Riverfront has been a goal. Now, with the removal of the Port of Beaumont's rail holding yard, the possibility of redeveloping the riverfront with such uses as hotels, conference space, retail and restaurant uses becomes even more of a possibility. In addition to such uses as a hotel and restaurants along the river, we are also now seeking developers to bring more residential units to Downtown Beaumont on and near the riverfront.

In order to help attract developers, the City Council recently adopted the Downtown Neighborhood Empowerment Zone, offering various economic incentives. An additional tool to attract developers would be the adoption of the attached Riverfront Reinvestment Zone Project Plan. This Plan represents a visual summary of improvements and development that has been sought for years, but now becomes possible with the removal of the rail yard. Moreover, this Plan will allow the City a greater degree of flexibility in marketing, negotiating and working with developers to make these goals a reality. Specifically, the Plan reflects the longstanding plans for a riverfront hotel, riverfront restaurants, additional improvements to Riverfront Park, enhanced access to Riverfront Park and residential uses.

Councilmember Pate moved to **APPROVE A RESOLUTION THAT THE BEAUMONT RIVERFRONT REINVESTMENT ZONE PROJECT PLAN BE AND IT IS HEREBY ADOPTED TO ATTRACT DEVELOPERS TO DOWNTOWN BEAUMONT FOR THE POSSIBILITY OF REDEVELOPING THE RIVERFRONT AND DOWNTOWN AREA.** Councilmember Smith seconded the motion.

AYES: MAYOR AMES, MAYOR PRO TEM COLEMAN, COUNCILMEMBERS GETZ, WRIGHT, PATE, SAMUEL AND SMITH

NAYS: NONE

MOTION PASSED

Resolution 14 - 190

WORK SESSION

- * Discuss the issue of Credit Access Businesses

Tyrone Cooper, City Attorney discussed the issue of Credit Access Businesses. Mr. Cooper stated that Councilmembers Wright and Pate asked that a Worksession be conducted on Credit Access Businesses, which has been referred to as Predatory Lenders. The correct and legal term for this type of Business is Credit Access Businesses. These Credit Access Businesses are credit service organizations who obtain and assist

consumers in securing loans that are commonly known as payday loans, motor vehicle loans or car title loans. These are lending institutions designed for the primary purpose of providing no interest or low interest loans, secured by a car title that is clear or by making a cash advance secured by a signed check or authorized debit to be executed at some future date. These loans are typically short term loans, no credit checks, no credit history required. The payday loans are typically a two week loan due to be paid off on the next pay day, the car title loans are typically thirty day loans, these loans are not inherently predatory although they are referred to commonly as predatory. They become predatory when the loans are not paid off on time, resulting in request for extensions and often frequently refinanced resulting in additional fees and charges this is commonly known as the cycle of debt. By the State of Texas definition, the Credit Access Businesses are legitimate businesses because the Texas Financial Code provides for these businesses. The State provides for the interest that these businesses are charging. Mr. Cooper stated that there is a need to regulate these types of businesses, the question is who is best to safeguard these businesses.

- * Review and discuss the adoption of fees to play tennis at the Municipal Tennis Center located at the Athletic Complex

Ryan Slott, Parks and Recreation Director discussed the adoption of fees to play tennis at the Municipal Tennis Center located at the Athletic Complex. Mr. Slott stated that the current administration is proposing a rate scale that would provide for daily court usage and reservations. The Tennis Center would be open 7 days a week, from 8:00 a.m., to 9:00 p.m. Seasonal changes would provide for adjustments to open/close times. The City Manager may approve other rates for tournaments, specials, or other events. The proposed rates are as follows: Mon-Fri (8am-4pm), residents \$3.00 per player, non-residents \$4.00 per player Mon-Fri (8am-4pm), Mon-Fri (after 4pm), residents \$4.00 per player and non-residents \$5.00 per player. On weekends residents would pay \$4.00 per hour and non-residents would pay \$5.00 per player. Seniors (65 - above), residents would pay \$2.00 per player and non-residents \$3.00 per player. Juniors (under -18), residents would pay \$2.00 per player and non-residents would pay \$3.00 per player. Annual membership was discussed for Junior/Senior residents \$100.00 and non-residents \$200.00, for adults that are residents \$200.00 and non-residents \$350.00, covered courts would be an additional \$2.00. There was also discussion of other city comparisons to what is being recommended, the other cities were slightly higher, the fees recommended were still on the same level as the other city fees.

Public Comments (Persons are limited to three minutes)

Coquese Williams

7994 Gladys

Beaumont TX

Stated that she's with Catholic Charities, spoke to Council in regards to the Credit Access Businesses, stated that these are business that are not regulated as financial institutions although they perform many of the same functions including granting consumer loans, most people know of them as pay day or auto title

lenders, citizens with few resources turn to these lenders to help with emergencies such as unexpected illnesses, emergency car repairs, the extra funds would be for someone living from pay check to pay check, the loans from the payday lender are unsecured funds, a postdated check or better yet an agreement to electronically access your checking account, this is how the funds are recouped, interest rates and fees are very high, if it's an auto title loan the consumer would give them the title to their auto, if they don't make the payment they can take their car, if you are unable to pay off the loan within the two or four week period, it's normally not a problem because then the consumer is encouraged to roll the loan and that means the original amount plus interest and that becomes your new amount, in the State of Texas payday and auto titles are a \$4 billion dollar service, the concern is that the fee is high and keeps the borrower in continuous debt, asked that Council vote in favor of an ordinance that will provide protection for Beaumont citizens in regards to these payday and title lenders

Stephanie Lundgreen

9110 Manion Drive

Beaumont TX

Stated that she's with Catholic Charities, discussed with Council how the payday and auto title loans actually work, she showed a poster board as to how the payments are made and the fact that the loan amount never goes down, from the time the loan was taken and after several payments the loan amount is still the original amount of the loan, the consumer never gets out of the loan

Carolyn R. Fernandez

2140 Hazel St.

Beaumont TX

Stated that she's with Catholic Charities, spoke to Council in regards to the Credit Access Businesses, commented on several cities that are working on approving ordinances that's needed to protect consumers in their cities, stated that the City can protect and restrict these companies and put a cap on the interest of the lenders

W.R. Sam

1761 Rena

Beaumont TX

Addressed Council in regards to the Credit Access Businesses, supports what Catholic Charities is doing, ask that Council do something to protect the consumers so they won't be taken advantage of by these types of businesses

COUNCILMEMBER COMMENTS

COUNCILMEMBER SMITH -

THANKED COUNCILMEMBERS WRIGHT AND PATE FOR BRINGING FORTH THEIR CONCERNS IN REGARDS TO THESE CREDIT ACCESS BUSINESSES, THANKED BISHOP MARK SMITH FOR HIS LABOR DAY B-BQ, ALSO ANNOUNCED THE ANNUAL BAZAAR GIVEN BY

OUR MOTHER OF MERCY CATHOLIC CHURCH ON SATURDAY AND SUNDAY, SEPTEMBER 13TH AND 14TH

COUNCILMEMBER SAMUEL -

ANOTHER GREAT DAY IN BEAUMONT

COUNCILMEMBER PATE -

COMMENTED ON THE FOOTBALL GAME BETWEEN LAMAR UNIVERSITY AND TEXAS A&M, ANNOUNCED THAT LAMAR WILL BE PLAYING AT HOME THIS FRIDAY ENCOURAGED EVERYONE TO COME OUT AND SUPPORT THEM

COUNCILMEMBER WRIGHT -

THANKED THE WORKERS FROM CATHOLIC CHARITIES FOR BRINGING THE ISSUE WITH THE CREDIT ACCESS BUSINESSES TO THE FOREFRONT

COUNCILMEMBER GETZ -

APPRECIATES COUNCILMEMBER WRIGHT BRINGING TO THE FOREFRONT THE ISSUES WITH THE LOANS AND HIGH FINANCE FEES THAT OUR CITIZENS ARE HAVING TO PAY, LOOKS FORWARD TO LOOKING AT THIS CLOSER, COMMENTED ON THE LABOR DAY TENNIS TOURNAMENT, STATED THAT THE TOURNAMENT WASN'T AS WELL ATTENDED AS IT SHOULD HAVE BEEN, SO IN ORDER TO GET THE NUMBERS UP, SUGGESTED THAT THE CITY OF BEAUMONT CONSIDER WORKING WITH THE SOUTH EAST TEXAS TENNIS ASSOCIATION AS PARTNERS IN PROMOTING THIS TOURNAMENT IN THE COMING YEARS, BY ENCOURAGING LOCAL CITIZENS TO PLAY IN THE TOURNAMENT, STATED THAT HE DID ATTEND THE LAMAR VS. TEXAS A&M GAME OVER THE WEEKEND

MAYOR PRO TEM COLEMAN -

THANKED CATHOLIC CHARITIES FOR COMING OUT ON TODAY IN REGARDS TO THE CREDIT ACCESS BUSINESSES, LOOKS FORWARD TO SEEING THE MODEL ORDINANCE AND REVIEWING IT AGAIN, ANNOUNCED THE ALZHEIMER'S WALK ON SEPTEMBER 20, 2014 AS WELL AS THE GIFT OF LIFE COLOR RUN ON OCTOBER 11, 2014, ENCOURAGE ALL CITIZENS TO GET SIGNED UP FOR BOTH OF THOSE EVENTS

CITY ATTORNEY COOPER -

NONE

CITY MANAGER HAYES -

NONE

MAYOR AMES -

NONE

Open session of meeting recessed at 3:09 p.m.

EXECUTIVE SESSION

- * Consider matters related to contemplated or pending litigation in accordance with Section 551.071 of the Government Code:

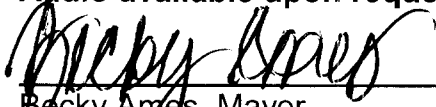
City of Beaumont v. Richard James III and The Sports Society for American Health

- * Consider matters related to employment, evaluation and duties of a public officer or employee in accordance with Section 551.074 of the Government Code:

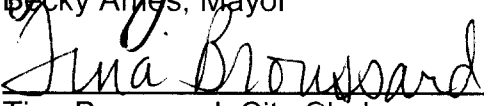
City Manager, Kyle Hayes

There being no action taken in Executive Session, Council adjourned.

Audio available upon request in the City Clerk's Office.



Becky Ames, Mayor



Tina Broussard, City Clerk

